

## **35,000 California Jobs are Worth a Bailout, Lieutenant Governor Garamendi Says at NUMMI Rally**

FREMONT – Surrounded by hundreds of NUMMI-employed families, Lieutenant Governor John Garamendi, chair of the California Commission for Economic Development, today joined more than 1,500 labor and business leaders, South Bay city officials, state lawmakers, and community activists to demand assistance from the federal government to keep Toyota's New United Motor Manufacturing, Inc. (NUMMI) plant in Fremont.

"The federal government used California tax dollars to bailout Detroit and Wall Street," said Garamendi. "Now California -- a generous donor state to the federal government, continuously paying more in taxes than it receives back from Washington, DC -- needs the federal government's help to keep its auto industry and preserve an estimated 25,000 to 35,000 California jobs. You've heard of cash for clunkers; it's time California got our fair share of dollars for donors."

The NUMMI plant closure would lead to the direct loss of 4,700 jobs, but with numerous contracts with suppliers statewide, California is expected to lose an estimated 25,000 to 35,000 jobs statewide. Of the approximately 1,186 supplier companies with NUMMI contracts, all but five are in California. 35 California counties are home to at least one NUMMI supplier. The five counties with the most suppliers include: Alameda (389), Santa Clara (204), Los Angeles (126), Contra Costa (79), and Orange (73).

"Toyota is involved in a complex divorce with a bankrupt General Motors," added Garamendi. "Toyota needs to know unequivocally that Californians want them to stay and we are willing to work for it. The Treasury Department needs to release federal stimulus dollars to show Toyota they are a vital California and U.S. business partner."

Garamendi also supports state legislation that will help NUMMI, including:

- Senator Ellen Corbett's (D-San Leandro) SB 483, would create an enterprise zone in Fremont;
- Assemblymember Alberto Torrico's (D-Fremont) ABX4 31, which creates an enterprise zone and tax incentives, including establishes a sales and use tax exemption for manufacturing equipment;
- Senator Roderick Wright's (D-Los Angeles) SB 830, creates an enterprise zone and tax benefit incentives, and would require state agencies to purchase cars manufactured in California, as well as would require the PUC to reduce the public goods charge for 2 years to NUMMI.

At an August 6 hearing of the Commission for Economic Development, Garamendi called on the Commission to support his appeal for a federal bailout from the Treasury Department, echoing a

letter Garamendi sent to the President's Auto Task Force in late July. Senator Dianne Feinstein, Senator Barbara Boxer, and many in the California House delegation have made similar appeals.